

May 29, 2009 *Via ECFS* 

Ms. Marlene H. Dortch, FCC Secretary Federal Communications Commission Office of the Secretary 445 12th Street, SW Washington, DC 20554

RE: First Supplement

WCB Docket No. 09-67

In the Matter of the Joint Application of Birch Communications, Inc., Birch Telecom, Inc., Birch Telecom of the South, Inc., Birch Telecom of the West, Inc., Birch Telecom of the Great Lakes, Inc., Birch Telecom of Missouri, Inc., Birch Telecom of Oklahoma, Inc., Birch Telecom of Texas Ltd., LLP and Cleartel Communications, Inc., Cleartel Telecommunications, Inc., IDS Telcom Corp., nii communications, Itd., Now Communications, Inc., Supra Telecommunications and Information Systems, Inc., and Telecon Communications Corporation for Authority pursuant to Section 214 of the Communications Act of 1934, as Amended, to Transfer Certain Customers of an Authorized Domestic and International Carrier.

Dear Ms. Dortch:

Attached for filing, please find supplemental information submitted in response to a May 21, 2009 email to me from Alex Johns, Attorney-Advisor.

Questions or instructions pertaining to these responses should be directed to my attention at (407) 740-3006 or croesel@tminc.com.

Sincerely,

Carey Roesel, Consultant to Birch Communications, Inc.

CR/gs Enclosures

cc: Alex Johns, Attorney-Advisor (Via e-mail)

Tracey Wilson-Parker – IB (Via e-mail)

Mikelle Morra – IB (Via e-mail) Susan O'Connell – IB (Via e-mail)

Christopher Bunce - Birch Sharvl Fowler - Birch

Mr. Randall P. Muench - Cleartel

file: Birch – FCC Domestic

Cleartel - FCC Domestic

tms: FCCx0901a

## First Supplement WCB Docket No. 09-67

1) a more detailed description of which Cleartel services and type(s) of customers (business, residential, or both) are being transferred;

The Applicants have entered into an Agreement whereby the Assignees will obtain assets of the Assignors including, primarily, residential and business local exchange and long distance customers, and prepaid local service customers, in the states listed in footnote 1 on page 2 of the Application (the "Acquired States"). In addition, Assignees will acquire the payphone customers of Assignors.

2) confirmation that Birch has no other telecom affiliates other than those listed in the application;

Birch Communications, Inc. has no other telecom affiliates other than those identified on the Corporate Entity Organizational Chart provided as Exhibit A of the Application.

3) a statement for the public interest section that the transaction will not negatively impact competition;

This acquisition will not have a negative impact on competition. By obtaining approval for this transaction, Birch is maintaining existing levels of competition – competition that would otherwise be diminished – by not forcing these customers to be migrated to the ILECs.

4) a line count and/or dollar amount for the assets being transferred, if available; and

Approximately 103,000 lines will be transferred to Assignees in connection with this transaction. Please see the attached Line Count Chart for state level detail.

5) confirmation whether Cleartel and the subsidiaries are selling everything, or retaining some portion of the business. (The application makes reference to "substantially all" of the assets being sold, but also indicates that Birch will replace Cleartel as the service provider in the states at issue.)

Birch is not acquiring all of Assignors' assets. First, Birch is not acquiring Assignors' customers or related assets in Maryland, Rhode Island, Virginia and West Virginia (the "Retained States"). Assignors' have approximately 450 customers in the Retained States. In addition, Assignors are retaining certain other tangible and intangible assets, including but not limited to, existing cash, certain accounts receivable, pre-transaction tax refunds, etc.

In all the Acquired States, Birch is acquiring all of the telecommunications technology assets (e.g., collocation and other telecommunications equipment), if any, and customers along with the associated customer date, databases and records. In these states, which are indentified in the Application, Birch will replace Assignors as the service provider. In some of these states Birch is only acquiring customers/lines. In other states, Birch is acquiring other assets (telecommunications equipment, office furniture, etc.) in addition to the customers/lines.

Upon completion of the transaction and the migration of customers to Birch, Assignors will no longer offer telecommunications services in the Acquired States. After Assignors determine that they no longer need state or federal authorizations for operational or billing purposes (including to provide service to customers in the Retained States), Assignors will surrender their authorizations in separate filings.

CLEARTEL LINES BY LINE OF BUSINESS					
State Name	Business	Payphones	Prepaid	Residential	Grand Total
AL	300	0	70	70	440
AR	10	0	0	0	10
CA	30	16000	0	0	16030
FL	21000	100	1000	32000	54100
GA	1000	0	300	300	1600
IL	30	0	700	100	830
IN	0	0	500	50	550
KY	200	0	200	40	440
LA	10	0	1000	30	1040
MA	60	0	0	300	360
MI	20	0	90	300	410
MO	0	0	200	0	200
MS	100	0	3600	50	3750
NC	900	0	70	40	1010
NJ	300	400	20	2500	3220
NY	700	3500	50	3900	8150
OK	1100	20	0	20	1140
PA	100	0	10	800	910
SC	400	0	200	30	630
TN	300	0	100	40	440
TX	7200	500	40	500	8240
WI	10	0	30	10	50
TOTALS	33770	20520	8180	41080	103550